

E-File: April 30, 2009

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

THE RHODES COMPANIES, LLC, aka
"Rhodes Homes, et al.,¹

Debtors.

Case No.: BK-S-09-14814-LBR
(Jointly Administered)

Chapter 11

¹ The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

Affects:

- ☒ All Debtors
☐ Affects the following Debtor(s)

NOTICE OF ENTRY OF ORDER

TO: ALL INTERESTED PARTIES:

YOU ARE HEREBY NOTICED that an **FINAL ORDER GRANTING DEBTORS' MOTION FOR ORDER UNDER 11 U.S.C. §§ 105, 363, 503(B), 1107, AND 1108 AUTHORIZING (I) MAINTENANCE OF CERTAIN EXISTING BANK ACCOUNTS, (II) CONTINUED USE OF CERTAIN EXISTING BUSINESS FORMS, (III) CONTINUED USE OF EXISTING CASH MANAGEMENT SYSTEM, (IV) PROVIDING ADMINISTRATIVE PRIORITY STATUS TO POSTPETITION INTERCOMPANY CLAIMS, AND (V) WAIVER OF SECTION 345(b) DEPOSIT AND INVESTMENT REQUIREMENTS**, was entered on April 30, 2009. A copy of the Order is attached hereto.

DATED this 30th day of April, 2009.

LARSON & STEPHENS

/s/ Zachariah Larson, Esq.

Zachariah Larson, Bar No. 7787

Kyle O. Stephens, Bar No. 7928

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Entered on Docket
April 30, 2009

A handwritten signature in black ink, appearing to read "Linda B. Riegler".

Hon. Linda B. Riegler
United States Bankruptcy Judge

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Debtors in Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

LARSON & STEPHENS
810 S. CASINO CENTER BLVD., SUITE 104
LAS VEGAS, NEVADA 89101

In re:

THE RHODES COMPANIES, LLC, aka
"Rhodes Homes," et al.,¹

Debtors.

Case No.: BK-S-09-14814-LBR
(Jointly Administered)

Chapter 11

DATE: April 28, 2009
TIME: 1:30 p.m.
PLACE: Courtroom 1

Affects:

- ☒ All Debtors
☐ Affects the following Debtor(s)

**FINAL ORDER GRANTING DEBTORS' MOTION FOR ORDER UNDER 11 U.S.C. §§
105, 363, 503(b), 1107 AND 1108 AUTHORIZING (I) MAINTENANCE OF CERTAIN
EXISTING BANK ACCOUNTS, (II) CONTINUED USE OF CERTAIN EXISTING
BUSINESS FORMS, (III) CONTINUED USE OF EXISTING CASH MANAGEMENT
SYSTEM, (IV) PROVIDING ADMINISTRATIVE PRIORITY STATUS TO
POSTPETITION INTERCOMPANY CLAIMS, AND (V) WAIVER OF SECTION 345(b)
DEPOSIT AND INVESTMENT REQUIREMENTS**

Upon consideration of the motion (the "Motion")² filed by the debtors and debtors in possession (the "Debtors") in the above-captioned chapter 11 cases seeking entry of an Order under sections 105, 363, 364, 503(b), 1107 and 1108 of title 11 of the United States Code (the "Bankruptcy Code") (i) authorizing the Debtors to maintain existing bank accounts, (ii) authorizing the Debtors to continue use of existing business forms, (iii) authorizing the Debtors to continue use of the existing Cash Management System, (iv) providing administrative expense priority for postpetition intercompany claims, and (v) granting an interim and final waiver of the deposit and investment requirements under 11 U.S.C. § 345(b); and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors and other parties in interest; and it appearing that this

¹ The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

² Unless otherwise noted, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M) and (O); and the *Second Interim Order Granting Debtors' Motion for Order Under 11 U.S.C. 105, 363, 503(b), 1107 and 1108 Authorizing (I) Maintenance of Certain Existing Bank Accounts, (II) Continued Use of Certain Existing Business Forms, (III) Continued Use of Existing Cash Management System, (IV) Providing Administrative Priority Status to Postpetition Intercompany Claims, and (V) Waiver of Section 345(b) Deposit and Investment Requirements* [Docket 78] having been entered; and the *Order Granting Debtors' Motion For Order Under 11 U.S.C. §§ 105, 363, 503(b), 1107 And 1108 Authorizing (I) Maintenance Of Certain Existing Bank Accounts, (II) Continued Use Of Existing Business Forms, (III) Continued Use Of Existing Cash Management System, (IV) Providing Administrative Priority Status to Postpetition Intercompany Claims, and (V) Waiver of Section 345(b) Deposit and Investment Requirements* [Docket-No. 127] having been entered; and the petty cash accounts of Rhodes Homes Arizona, LLC (account number ending in 2046) and Pinnacle Grading, LLC (account number ending in 4517) having been closed; and the Debtors having withdrawn their prayer to provide administrative expense priority for postpetition Intercompany Transfers; and due and adequate notice of the Motion having been given under the circumstances; and after due deliberation and cause appearing therefor; it is hereby

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the Debtors are authorized, but not directed, in the reasonable exercise of their business judgment, to (i) designate, maintain, and continue to use, with the same account numbers, the Core Accounts in existence on the Petition Date, as identified on Exhibit 1 attached hereto; and (ii) treat the Core Accounts for all purposes as accounts of the Debtors as "Debtors in Possession;" and it is further

ORDERED that Mutual of Omaha Bank (the "Bank") is hereby authorized to continue to service and administer each of the Core Accounts as an account of the Debtors as debtors in possession without interruption and in the usual and ordinary course of business, and to receive, process, honor and pay any and all checks and drafts drawn on the Core Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided, however*, that any check that

the Debtors advise the Bank to have been drawn or issued by the Debtors before the Petition Date may be honored by the Bank only if specifically authorized by order of this Court; and it is further

ORDERED that (i) certain existing arrangements between the Debtors and the Bank with respect to the Core Accounts and with respect to the transfers to and from the Core Accounts shall continue to govern the postpetition cash management relationship between the Debtors and the Bank; (ii) the Debtors and the Bank may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts, with advance notice of 5 business days to the United States Trustee, counsel to the First Lien Steering Committee, counsel to the First Lien Agent and counsel to any official committee appointed in these cases; and (iii) in the course of providing cash management services to the Debtors, the Bank is authorized, without further Order of this Court, to continue to deduct from the appropriate accounts of the Debtors, the Bank's customary fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors; and is further

ORDERED that the Bank shall implement reasonable handling procedures designed to effectuate the terms of this Order, and if the Bank implements such handling procedures and then honors a prepetition check or other item drawn on any account that is the subject of this Order either (i) at the direction of the Debtors to honor such prepetition check or item, (ii) in good faith belief that the Court has authorized such prepetition check or item to be honored, or (iii) as a result of an innocent mistake made despite implementation of such handling procedures, shall not be deemed in violation of this Order; and it is further

ORDERED that the Debtors may continue to fund their businesses and operations through the Core Accounts; and it is further

ORDERED that the Debtors may, in their sole discretion, pay prepetition banking fees owed to the Bank; and it is further

ORDERED that the Debtors shall maintain detailed records reflecting all transfers of funds under the terms and conditions provided for by the existing agreements with the institutions participating in the Debtors' Cash Management System. In connection with the ongoing utilization

1 of their Cash Management System, the Debtors shall continue to maintain detailed records with
2 respect to all transfers of cash so that all transactions may be readily ascertained, traced and recorded
3 properly on the applicable accounts; and it is further

4 ORDERED that nothing contained herein shall prevent the Debtors from opening any new
5 bank accounts or closing any existing bank accounts as they may deem necessary and appropriate,
6 with advance notice of 5 business days to the United States Trustee, counsel to the First Lien
7 Steering Committee, counsel to the First Lien Agent and counsel to any official committee appointed
8 in these cases; *provided, however*, that any new account shall be with a bank that is insured by the
9 Federal Deposit Insurance Corporation and organized under the laws of the United States or any
10 state therein and is an approved depository in Region 17; and it is further

11 ORDERED that the Debtors are authorized to continue using all existing business forms
12 without placing the label "debtor in possession" on each such form; provided that the Debtors shall
13 add such designation to any new business forms that they order; and it is further

14 ORDERED that the Debtors are authorized to continue utilizing their Cash Management
15 System to manage the Debtors' cash, in a manner consistent with the Debtors' prepetition practice;
16 and it is further

17 ORDERED that the authority and approvals granted by the terms of this Order to the
18 Debtors, including with respect to the opening and closing of Bank Accounts and continuation of
19 their Cash Management System, shall be in all respects subject to any requirements imposed on the
20 Debtors under any approved order regarding the use of cash collateral; and it is further

21 ORDERED that the Debtors shall cause a copy of this Order to be served on the Bank within
22 five (5) business days of the date hereof; and it is further

23 ORDERED that having deposited its funds with the Bank, which is an approved depository
24 in Region 17, the Debtors have complied with section 345 of the Bankruptcy Code; and it is further

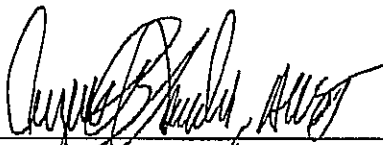
25 ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising
26 from the implementation of this Order.

LARSON & STEVENS
810 S. CASINO CENTER BLVD., SUITE 104
LAS VEGAS, NEVADA 89101

1 DATED this 27th day of April, 2009.

2 APPROVED AS TO FORM AND CONTENT:

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By: 
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10 By: /s/Philip C. Dublin
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19 Submitted by:

20 LARSON & STEPHENS

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28 *Proposed Attorney for Debtors*

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EXHIBIT 1

Bank Account List

Core Accounts

Description	Bank	Account Number Ending In	Address
CNJ Payroll	Mutual of Omaha Bank	1054	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Heritage Land Operating	Mutual of Omaha Bank	2151	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Heritage Custody	Mutual of Omaha Bank	1006	17600 N. Perimeter Drive, Scottsdale, AZ 85255
The Rhodes Co Operating	Mutual of Omaha Bank	2186	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Design Flex Spending	Mutual of Omaha Bank	1354	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Design Payroll	Mutual of Omaha Bank	1038	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Realty Commission	Mutual of Omaha Bank	0996	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Realty Payroll	Mutual of Omaha Bank	1003	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Ranch GP Operating	Mutual of Omaha Bank	2178	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Arizona Properties Operating	Mutual of Omaha Bank	4533	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Homes Arizona Operating	Mutual of Omaha Bank	4541	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Homes AZ Payroll	Mutual of Omaha Bank	2054	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Pinnacle Operating	Mutual of Omaha Bank	2062	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Pinnacle Payroll	Mutual of Omaha Bank	2070	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Apache Framing LLC Operating	Mutual of Omaha Bank	0714	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Tribes Holdings LLC Operating	Mutual of Omaha Bank	0706	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Tuscany Golf Course Operating	Mutual of Omaha Bank	2089	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Tuscany Golf Course Payroll	Mutual of Omaha Bank	2097	17600 N. Perimeter Drive, Scottsdale, AZ 85255

Closed Accounts

Description	Bank	Account Number Ending In	Address
Heritage Investment	Merrill Lynch	7087	253 Post Road West, Westport, CT 06880
Heritage Investment	Merrill Lynch	7068	253 Post Road West, Westport, CT 06880
Heritage Investment	Merrill Lynch	7091	253 Post Road West, Westport, CT 06880
Rhodes Realty Operating	Mutual of Omaha Bank	1011	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Pinnacle	Mission Bank	3843	2439 Hualapai Mountain Road, Kingman, AZ 86401
Pinnacle	Mission Bank	4494	2439 Hualapai Mountain Road, Kingman, AZ 86401
Pinnacle Impress	Wells Fargo	9350	330 E. Beale St., Kingman, AZ 86401
Pinnacle Payroll	Wells Fargo	9343	330 E. Beale St., Kingman, AZ 86401
Pinnacle Operating	Wells Fargo	9335	330 E. Beale St., Kingman, AZ 86401
Pinnacle Petty Cash	Mutual of Omaha Bank	4517	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Bravo Inc Operating	Community Bank of Nevada	2903	8945 West Russell Road, Las Vegas, NV 89148
Bravo Inc Payroll	Community Bank of Nevada	5473	8945 West Russell Road, Las Vegas, NV 89148
Arapahoe Cleaning LLC Operating	Community Bank of Nevada	4965	8945 West Russell Road, Las Vegas, NV 89148
Arapahoe Cleaning LLC Payroll	Community Bank of Nevada	4957	8945 West Russell Road, Las Vegas, NV 89148
Gung Ho Concrete LLC Operating	Community Bank of Nevada	5007	8945 West Russell Road, Las Vegas, NV 89148
Gung Ho Concrete LLC Payroll	Community Bank of Nevada	5015	8945 West Russell Road, Las Vegas, NV 89148
Apache Framing LLC Operating	Community Bank of Nevada	6283	8945 West Russell Road, Las Vegas, NV 89148
Apache Framing LLC Payroll	Community Bank of Nevada	6291	8945 West Russell Road, Las Vegas, NV 89148
Apache Framing LLC Payroll	Mutual of Omaha Bank	0722	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Geronimo Plumbing LLC Operating	Community Bank of Nevada	4973	8945 West Russell Road, Las Vegas, NV 89148
Geronimo Plumbing LLC Payroll	Community Bank of Nevada	4981	8945 West Russell Road, Las Vegas, NV 89148
Tribes Holdings LLC Operating	Community Bank of Nevada	5058	8945 West Russell Road, Las Vegas, NV 89148
Tribes Holdings LLC Payroll	Community Bank of Nevada	5066	8945 West Russell Road, Las Vegas, NV 89148
Rhodes Ranch Golf Country Club Operating	Mutual of Omaha Bank	2011	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Ranch Golf Country Club Payroll	Mutual of Omaha Bank	2038	17600 N. Perimeter Drive, Scottsdale, AZ 85255
Rhodes Design Flex Spending	Wells Fargo	1963	330 E. Beale St., Kingman, AZ 86401
Rhodes Homes AZ Petty Cash	Mutual of Omaha Bank	2046	17600 N. Perimeter Drive, Scottsdale, AZ 85255
WAZUU Design	Mutual of Omaha Bank	8041	17600 N. Perimeter Drive, Scottsdale, AZ 85255